TD/B/EX(1)/4

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Report of the Trade and Development Board on its first (pre-sessional) executive session

held at the Palais des Nations, Geneva,
on 21 September 1992

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 4	1
II.	POLICY ISSUES ARISING IN THE CONTEXT OF SELECTED ITEMS OF THE PROVISIONAL AGENDA FOR THE FIRST PART OF THE THIRTY-NINTH SESSION OF THE BOARD (agenda item 2)	5 - 39	2
	(a) Follow-up to the recommendations adopted by the Conference at its eighth session (item 2 of the above-mentioned provisional agenda)	5 - 22	2
	(b) Sustainable development including UNCTAD's contribution to the implementation of UNCED's conclusions and recommendations (item 5 of the above-mentioned provisional agenda; see also footnote to paragraph 63 (5) of the Cartagena Commitment)	23 - 40	7
III.	ESTABLISHMENT OF AN AD HOC WORKING GROUP TO EXPLORE THE ISSUE OF STRUCTURAL ADJUSTMENT FOR THE TRANSITION TO DISARMAMENT (BOARD DECISION 398 (XXXVIII) OF 7 MAY 1992, ANNEX, SECTION D) (agenda item 3)	41 - 43	12
IV.	OTHER MATTERS REQUIRING ACTION BY THE BOARD ARISING FROM OR RELATED TO REPORTS AND ACTIVITIES OF ITS SUBSIDIARY AND OTHER BODIES (ITEM 11 OF THE ABOVE-MENTIONED PROVISIONAL AGENDA) (agenda item 4)	44 - 49	13
	(a) Report of the Intergovernmental Group of Experts on Restrictive Business Practices on its tenth session (21-25 October 1991)	45 - 46	13
	(b) Report of the Working Group on International Shipping Legislation on its thirteenth session (11-19 November 1991)	47	13
	(c) Report of the Special Committee on Preferences on its nineteenth session (19-22 May 1992)	48 - 49	13
V.	PROCEDURAL, INSTITUTIONAL, ORGANIZATIONAL AND ADMINISTRATIVE MATTERS	50 - 71	14
	A. Opening of the session	50	14
	B. Bureau of the Board	51 - 52	14

GE.92-52358

1355e

CONTENTS (continued)

		Paragraphs	Page
C.	Adoption of the agenda (agenda item 1)	53	14
D.	Membership and attendance	54 - 59	15
E.	Statements of position on the Federal Republic of Yugoslavia	60 - 62	16
F.	Institutional, organizational, administrative and related matters (agenda item 5)	63 - 66	16
	Item 5 (a) - Treatment of new States members of UNCTAD for purposes of elections	63 - 64	16
	Item 5 (b) - Membership of the Trade and Development Board	65	17
	Item 5 (c) - Membership of the Working Party on the Medium-Term Plan and the Programme Budget for 1993	66	17
G.	Nomination of officers for the Bureau of the thirty-ninth session of the Board (agenda item 6)	67	17
H.	Other business (agenda item 7)		
	- Follow-up to the twenty-first session of the Working Party on the Medium-term Plan and the Programme Budget	68 - 70	17
I.	Report of the Board on its first (pre-sessional) executive session (agenda item 8)	71	18

Annex

Agenda for the first (pre-sessional) executive session of the Trade and Development Board

I. INTRODUCTION

1. The first (pre-sessional) executive session of the Trade and Development Board was held at the Palais des Nations, Geneva, on 21 September 1992. The executive session consisted of one meeting - the 806th plenary meeting of the Board.

2. The executive session was convened to consider and act on the policy issues arising in the context of the following items of the provisional agenda of the first part of the thirty-ninth session of the Board:

- Follow-up to the recommendations adopted by the Conference at its eighth session (item 2 of the above-mentioned provisional agenda);

- Sustainable development including UNCTAD's contribution to the implementation of UNCED's conclusions and recommendations (item 5 of the above-mentioned provisional agenda).

These items are dealt with in section II below. The executive session also considered, under item 3 of its own agenda, the following item:

Establishment of an ad hoc working group to explore the issue of structural adjustment for the transition to disarmament (Board decision 398 (XXXVIII) of 7 May 1992, annex, section D).

This item is reported in section III.

3. In addition to the above items, the executive session took note of the reports of three of the subsidiary bodies of the Board (cf. section IV) and dealt with a number of other institutional and organizational matters as reported in section V.

4. Opening the session, the President recalled that paragraph 67 of the Cartagena Commitment called for the strengthening of the policy function of the Trade and Development Board. It recommended that the Board should be more active in adapting the organization's work to changing worldwide economic circumstances, reviewing work programmes and priorities, promoting greater efficiency and reacting to reports from its subsidiary bodies in order to give impetus to ongoing work. It was for that purpose that the Cartagena Commitment called for the Board to meet in short executive one-day or half-day sessions at the level of Permanent Representatives immediately before its regular sessions and periodically in between. Subsequently, the Board, at the second part of its thirty-eighth session, had adopted clear and concise guidelines for its executive sessions. It was crucial for the organization that the executive session should fulfil both the spirit and the letter of the Cartagena Commitment. He believed that tremendous progress had been made since Cartagena, and the Secretary-General of UNCTAD had spared no effort and had demonstrated full commitment to the implementation of the decisions taken at Cartagena. This in itself augured well for the future of UNCTAD. The tasks before the executive session had been facilitated by the consultations held by the Secretary-General in accordance with paragraphs 81, 82 and 83 of the Cartagena Commitment. He therefore hoped that the Board would conduct its work in a businesslike manner with the necessary pragmatism and flexibility, so that it could be truly said that an exemplary beginning had been made to the new processes.

II. POLICY ISSUES ARISING IN THE CONTEXT OF SELECTED ITEMS OF THE PROVISIONAL AGENDA FOR THE FIRST PART OF THE THIRTY-NINTH SESSION OF THE BOARD

(Agenda item 2)

(a) Follow-up to the recommendations adopted by the Conference at its eighth session (item 2 of the above-mentioned provisional agenda)

5. For its consideration of this item the Board had before it the following document:

TD/B/EX(1)/3 Follow-up to the recommendations adopted by the Conference at its eighth session: Discussion note by the Secretary-General of UNCTAD.

6. Reporting on the outcome of informal consultations on this item, the Secretary-General of UNCTAD said that he had held two sets of informal consultations with representatives of members of the Bureau of the Board - consultations in which a large number of other delegations not members of the Bureau of the Board had also participated. With regard to item 2 (a), these consultations had related to three provisions of the Cartagena Commitment: one contained in paragraph 87, which requested the Board to take the necessary follow-up measures to ensure the speedy implementation of the institutional reforms agreed by the Conference; the second in paragraph 60, which affirmed that effective implementation, monitoring and follow-up were essential for fulfilling the mandate of UNCTAD, and requested that the necessary arrangements should be made by the Board; and the third in paragraph 68 calling for a mid-term review and evaluation of the work programme of UNCTAD's intergovernmental machinery. While no firm decisions had been reached during these consultations, he wished to outline the main points on which there appeared to be a meeting of minds, as follows:

(a) A wide cross-section of delegations had noted with satisfaction the progress achieved in implementing the institutional reform measures agreed at Cartagena; the importance had been stressed, however, of breathing life into the new intergovernmental structures and giving full and practical effect to the new approaches and methods of work.

(b) Most delegations had reaffirmed the importance of wide and diversified participation by member States in the work of the Standing Committee and the Ad Hoc Working Groups so as to ensure that the widest possible range of national experience and empirical evidence be brought to bear on the issues for substantive discussion; in this regard note was taken of the suggestion made by many delegations that interested donor Governments should consider establishing adequate trust fund arrangements to cover the travel of national experts from developing countries, especially the least developed, for the purpose of participating in the Ad Hoc Working Groups.

(c) There had been broad agreement that the rules of procedure of the main Committees of the Trade and Development Board (TD/B/740) should be applied, in as flexible a manner as possible, to the Standing Committees and that the officers of these Committees should be elected in

accordance with the applicable rules of procedure, taking into account the principles of equitable geographical distribution and of rotation.

(d) With regard to the Ad Hoc Working Groups, the rules of procedure of the Board would be applied, again in as flexible a manner as possible, and the Bureaux of these Groups would have the same composition as those of the main Committees of the Board.

(e) With regard to the participation of non-governmental actors in the work of UNCTAD intergovernmental bodies, as indicated in paragraph 84 of the Cartagena Commitment, there seemed to be a convergence of views regarding the suggestions made by the secretariat in paragraphs 11 and 12 of TD/B/EX(1)/3; note had also been taken of the intention of the secretariat to circulate further suggestions regarding the pattern of representation of non-governmental organizations having status with UNCTAD in the work of the Board and its subsidiary bodies. As regards other non-governmental actors (including enterprises, trade unions, the academic community and non-governmental organizations other than those having status with UNCTAD) it had been agreed that the list of persons to be invited from this category would be approved in advance by the Bureau of each body on the basis of proposals by the secretariat. In this context, delegations would be free to submit their suggestions to the secretariat, for transmission to the Bureaux of these bodies.

(f) Concerning the possibility and desirability of revising the rules of procedure of the Board governing the participation of non-governmental organizations, the hope had been expressed that the secretariat would examine this matter and submit an assessment of the issues involved.

(g) There had been a lively discussion on the monitoring and follow-up of the substantive recommendations of UNCTAD VIII, in the course of which a consensus had emerged on the following arrangements: first, in the consideration of substantive items on their agenda, both the Board and each of its subsidiary bodies would assess the extent to which effect had been given to the relevant recommendations of UNCTAD VIII by all the entities to which they were addressed, and consider such further action as might be appropriate. Secondly, the Board could identify, for each part of its regular session, a particular topic or topics which would be inscribed under the broad heading "Follow-up to the recommendations of UNCTAD VIII"; the purpose would be to enable the Board to undertake an in-depth review of progress made in the implementation of the relevant recommendations of the Conference and to consider such further action as might be required. There had been general agreement on the need for selectivity in the choice of such topics. One criterion should be the extent to which adequate provision already existed for the examination of the proposed topics in the provisional work programme of the Board; it had been noted for instance that there were some topics mentioned in paragraph 63 of the Cartagena Commitment for which no explicit provision had been made so far in the work programme of the Board. Another criterion should be the degree of urgency that the topic might have assumed in the light of current developments.

(h) Finally, the consultations had addressed the provision contained in paragraph 68 of the Cartagena Commitment that the Board should undertake a mid-term review and evaluation of the work programme of the totality of UNCTAD'S intergovernmental machinery, including its own. It was recognized that this process would have to take into account the outcomes of the monitoring and follow-up processes alluded to earlier. It was also considered that the Standing Committees and Ad Hoc Working Groups should contribute to the mid-term review and evaluation exercise by undertaking specific reviews of their respective work programmes (in the case of the Standing Committees) by mid-1994 or (in the case of the Ad Hoc Working Groups) in the context of preparing their final reports at the end of their two-year life span.

Action by the Board

7. At its 806th meeting, on 21 September 1992, the Board endorsed the conclusions presented in the oral report on this item made by the Secretary-General of UNCTAD.

Exchange of views on the process of implementation of the decisions and recommendations of UNCTAD VIII

8. The representative of the Russian Federation expressed his country's appreciation of the secretariat's efforts to advance the implementation of the Cartagena Commitment and stated that his country would participate in all the Standing Committees and Ad Hoc Working Groups. It was important that, at the first meeting of each of the new bodies, due attention be given to the specific interests of countries in transition to a market economy, including the Russian Federation, in accordance with the Cartagena Commitment's appeal to all member States to support the process of transition in these countries. He also expressed support for the setting up of machinery for monitoring and following up the recommendations adopted at UNCTAD VIII. Both the mid-term review by the Board and the inclusion of a specific item on the agenda of each session of the Board could serve this purpose. As for the process of restructuring the secretariat, which his country was following with interest, he expressed the view that this should be carried out on the premise that the size of the secretariat and of the UNCTAD budget should not be reduced.

9. The representative of Egypt commended the progress made in the past six months in implementing the recommendations of UNCTAD VIII, from the adoption of the terms of reference for the new subsidiary bodies of the Board to proposals submitted by the Secretary-General of UNCTAD for the restructuring of the secretariat. There were still nevertheless some problems. Thus UNCTAD was having to face an increased workload with an unchanged volume of resources. This made the setting of work programme priorities a difficult task, especially since different countries had varying perceptions of priorities. She expressed the view that, while in the short-term the problem of resource constraints could be tackled through greater flexibility and efficiency in the secretariat, additional financial resources would be required in the long term.

10. The representative of Bolivia said that the progress achieved in the six months since UNCTAD VIII in implementing the Conference's recommendations had been remarkable. Latin American countries had responded positively to the Secretary-General's invitation to participate in the work of the new bodies, though in some cases it would not be possible to send experts from capitals. These countries were, however, looking at ways in which their national experiences of economic development could be conveyed to UNCTAD through regional institutions. He added that the restructuring of the UNCTAD secretariat to reflect the reforms decided at Cartagena was of the utmost importance if the Conference objectives were to be achieved. Adequate financial support was necessary for this purpose.

11. The representative of the United Kingdom, speaking on behalf of the European Community and its member States, observed that UNCTAD had made good progress in implementing the institutional reforms agreed at Cartagena. The new structures were now in place and only some procedural details remained to be discussed. In a sense, however, this had been the easy part. It was now necessary to ensure that these new structures were filled with new life. The new Standing Committees and Ad Hoc Working Groups would all be meeting for the first time in the next few months. The decisions they took on their work programmes and the working methods they adopted, together with the support they received from the secretariat, would be crucial in ensuring that the new orientation agreed on at Cartagena became a practical reality.

12. It was obviously right for the Board to assess more formally from time to time the progress of the reforms, and it was even more important to set the right course from the outset. The secretariat had an important responsibility here, but the representatives of Governments must also ensure that the experts who came from capitals for the meetings - some of whom might not deal regularly with UNCTAD - understood and supported the new orientation that had been agreed at Cartagena.

13. In particular, each Committee or Working Group should now set itself specific and realistic objectives to be met by certain dates. The Conference had agreed on the need for selectivity. If UNCTAD was to be effective and relevant it must concentrate its resources, which were limited in budgetary and human terms, in the areas where it had a comparative advantage and special insights to offer. It should not waste resources by duplicating work already under way in other organizations. In priority areas it should aim for high-quality analytical work. This would inevitably have an international dimension but it should look primarily at national experiences and promote the best practice.

14. Working methods should be informal. The nineteenth session of the Special Committee on Preferences held in May 1992 had shown how the Cartagena reforms could lead to constructive results. There should be no return to the rigid procedures which had led to sterile debates in the past. In particular, the Ad Hoc Working Groups should have as loose a structure as possible so that experts could discuss problems and experiences in a very informal way.

15. As for the Trade and Development Board itself, the original idea at Cartagena had been that the regular sessions should be shorter and concentrate on a few important issues which could be discussed in depth. The executive sessions would have a more operational role, reviewing the work of subsidiary

bodies and adjusting priorities if necessary. The forthcoming first part of the thirty-ninth session was exceptional because it included issues which would normally have been taken up at the second part of the thirty-eighth session. It would be necessary, however, to think carefully in the future about the role of both the regular and executive sessions of the Board.

16. In all these changes the supporting role of the secretariat was crucial and the Community hoped that the Secretary-General had now been given the green light from Headquarters in New York and could give details of the new organizational structure designed to take account of UNCTAD's new orientation.

17. The representative of Algeria pointed out that the purpose of the executive sessions was to facilitate the task of the Board in taking decisions at its regular sessions on matters that were very complex or on which there was as yet no consensus. The work of the executive sessions should thus be specific and focused, but she observed that the deliberations at the current executive session had taken a rather general and free-ranging turn. Every effort should be made to make the best use of the short time available so that the executive sessions could fulfil their intended functions.

18. The representative of Switzerland acknowledged that the new spirit, orientations and agreement on substantive work that had emerged from Cartagena could obviously not be translated into reality overnight. He was nevertheless impressed by the secretariat's efforts to implement the provisions of the Cartagena Commitment, especially at a time when the secretariat had been subject to a process of restructuring. In this respect, he was sure that the maximization of transparency would ensure the best possible collaboration between the secretariat and the delegations. Implementation of the Commitment was proceeding along the right lines. This said, he wished to make the following suggestions on the organization of the Board's sessions:

(i) The items dealt with in the executive sessions and those dealt with in the regular sessions should be kept separate and distinct. Any work that was not finished in a given executive session should be taken up at the next executive session.

(ii) The President of the pre-sessional executive session should ideally be the same as for the subsequent regular session. This suggestion implied of course some change in the current procedures.

(iii) It would be useful to have some further discussion on what exactly constituted the key to the success of the executive sessions, especially with regard to adequate preparations and methods of work. His delegation would be reflecting on this and he trusted that others would do likewise.

(iv) Finally, in whatever arrangements were made for the follow-up to UNCTAD VIII, he hoped to see a degree of flexibility from now until the mid-term review of the work programme.

19. The representative of Austria welcomed the progress that had been made since UNCTAD VIII. He pointed out that the high-quality analytical work that had been called for in Cartagena would place an increased burden on the secretariat, and cautioned that it was therefore important not to overload the

schedule of meetings and to confine the duration of sessions. High-quality documentation, available well before the meetings, was an essential pre-condition for the work of UNCTAD's subsidiary organs. As for the organization of the executive sessions of the Board, he too felt that there was room for improvement.

20. The representative of Colombia considered that, while much progress had been made in the past six months in realising the commitments agreed at Cartagena, the international community was still in the process of preparing what would become the new UNCTAD. With regard to the newly-established subsidiary bodies of the Board, his Government had been canvassing the public and private sectors that had relevant expertise and had transmitted a substantial list of representatives keen to participate in the work of those bodies.

21. Follow-up and evaluation of the commitments undertaken in Cartagena were of the utmost importance. Sceptics had long argued that the decline in the prestige and credibility of UNCTAD had been due to lack of follow-up and enforcement mechanisms. The Cartagena Commitment had set clear directions and mandates for UNCTAD's work. It was now up to the Board to define appropriate and effective instruments for follow-up, rather than to add further items for fruitless debate to its already overloaded agenda.

22. Responding to the points raised by delegations, the Secretary-General of UNCTAD said that the secretariat had taken note of all the observations and suggestions and would take them into account in future consultations on the executive sessions of the Board. While he appreciated the favourable comments that had been made on the progress in implementing the new institutional structures, he regretted that there was as yet nothing new to report regarding the plan for the restructuring of the secretatiat which he had submitted to United Nations Headquarters. The New York authorities were still reviewing his proposals and had assured him that they would be reacting as soon as possible. For his part, he was hoping for a rapid response so that the secretariat could prepare adequately for the work of the new bodies established as a result of UNCTAD VIII which were shortly to begin their work.

(b) Sustainable development including UNCTAD's contribution to the implementation of UNCED's conclusions and recommendations (item 5 of the above-mentioned provisional agenda; see also footnote to paragraph 63 (5) of the Cartagena Commitment)

23. For its consideration of this item, the Board had before it the following document:

TD/B/EX(1)/2 UNCTAD's follow-up to the outcome of the United Nations Conference on Environment and Development: Note by the Secretary-General of UNCTAD.

24. The Secretary-General of UNCTAD stated that the consultations he had held with delegations on the institutional follow-up to UNCED had revealed a convergence of views on the desirability of these matters being considered in a sessional committee of the regular sessions of the Trade and Development Board. In the light of the decisions which might be taken by the General Assembly on the matter, and of the eventual experience obtained on

sustainable development within UNCTAD over the next two years, the Board might wish to review the matter during the course of the mid-term review of the machinery set up as a result of UNCTAD VIII. The Board might either maintain the arrangements to be decided here, or create a Standing Committee and/or an ad hoc working group on sustainable development; all options were open.

25. The representative of Norway emphasized the positive role which UNCTAD had to play in the follow-up to UNCED, as had been made clear in both the Cartagena Commitment and Agenda 21. He agreed that it would be important to await the outcome of the discussions in the General Assembly before making any definitive arrangements on how to deal with sustainable development in UNCTAD. Whatever decisions were taken by the Board, it would be necessary to retain the flexibility to revise these arrangements as necessary in the future. In the meantime, Norway would have no objection to dealing with sustainable development as already scheduled at the first part of the thirty-ninth session of the Board.

26. The representative of Algeria wondered whether the arrangements discussed by the Secretary-General referred to discussion of sustainable development in a special sessional committee of the Board devoted to this sole item, or rather to discussion in one of the two regular sessional committees established by the Board in the normal course of its regular sessions.

27. The Secretary-General of UNCTAD said that it was his understanding that the item on sustainable development would be allocated to one of the two regular sessional committees, but that the Board would explicitly retain the flexibility to vary these arrangements at some future date if the situation so warranted.

28. The representative of Chile said that his Government shared the concern of Algeria concerning the allocation of discussions on sustainable development to a regular sessional committee of the Board, but that he had been reassured by the statement just made by the Secretary-General. Given the importance which attached to the issue of sustainable development, once the discussions began it was possible that their nature would require them to be held in a special sessional committee; this would require the Board to possess the necessary flexibility to make the modifications required.

Action by the Board

29. At its 806th meeting, on 21 September 1992, the Board endorsed the oral report on this item made by the Secretary-General of UNCTAD.

Orientations for future work on sustainable development

30. The representative of Egypt, after reiterating the importance her Government attached to the Board's having the necessary flexibility to revise before the mid-term review the arrangements it was now making for the discussion of sustainable development, stressed the need for UNCTAD's intergovernmental machinery to integrate sustainable development fully into all its activities. Ways and means had to be found to ensure that protection of the environment did not also compromise the development prospects of the developing countries; paragraph 8 (e) of TD/B/EX(1)/2 should therefore be revised to incorporate this concept. She further emphasized her Government's concern that environmental measures should not be used to impose conditionality on aid, trade or financial policies.

31. As to work orientations, she considered that sustainable development should be included in work on trade, debt, commodities, technology and structural adjustment. With regard to commodities, UNCTAD could be instrumental in promoting the incorporation of sustainable development concerns, but equal weight had to be given to the implications of new environmental measures on commodity production and markets. The effects on trade of environmental measures needed also to be taken into account, particularly in a context of emerging new regional groupings.

32. Referring to document TD/B/39(1)/7, wherein it was stated that pollution-intensive, resource-based industries were growing fastest in the developing countries (para. 36), she urged that careful study be given to the reasons for this. In this context, it was necessary that measures to enhance the transfer of environmentally-sound technologies to the developing countries be given a high priority. Her Government also wished to see a clear demarcation between the activities of UNCTAD on sustainable development and those of the Commission on Sustainable Development (CSD) so as to ensure complementarity and to avoid any overlap.

33. The representative of Japan was of the view that UNCTAD could contribute much to the UNCED follow-up. In his Government's view, UNCTAD should concentrate on environment and commodities; environment and technology; and environment and the prevention, alleviation and reduction of poverty.

34. The representative of Switzerland said that UNCTAD, UNEP and UNDP should all play a pivotal role in the work of the CSD; UNCTAD therefore needed to devote sufficient resources to sustainable development, while respecting zero budget growth should this policy be decided by the General Assembly. It was important that UNCTAD find its niche among the institutions which would be active in sustainable development, and it was therefore premature to decide to establish a standing committee on sustainable development in UNCTAD. Whatever shape UNCTAD's activities on sustainable development took, what was important was practical work on the trade, development and sustainable development linkages, but UNCTAD was not the appropriate forum for negotiations on these issues. In particular, activities on sustainable development should focus on the areas of eco-protectionism; eco-dumping; economic instruments; poverty; and financial instruments (especially tradeable emission permits).

35. The representative of Algeria said that her Government was convinced of the role UNCTAD had to play in sustainable development and cited in support of this view the fact that paragraph 152 of the Cartagena Commitment had been reproduced textually in chapter 39 of Agenda 21. In dealing with sustainable development, UNCTAD needed to demonstrate flexibility and pragmatism when it came ot the problems facing developing countries. As for work on sustainable development, she would wish to see emphasis laid on the areas of commodities, technology and issues of interest to developing countries.

36. She considered that subparagraph 8 (c) of TD/B/EX(1)/2 concerning poverty alleviation needed to be reworded so as to convey the important concept of the need for a global long-term strategy for such alleviation in the context of sustainable development. There was also a need to include a further subparagraph on the important area of a database on trade-related environmental measures, since this had unaccountably been omitted from the document in question.

37. The representative of Colombia said that the Cartagena Commitment had given a very clear mandate to UNCTAD, both its secretariat and its intergovernmental organs old and new, to incorporate the issue of sustainable development in its analysis, discussion, possible negotiation and technical cooperation. Both the spirit and the text of the Cartagena Commitment had been important in the Rio Conference, and the document had been used as a basic text both in the Rio Declaration and in Agenda 21, which stated clearly that UNCTAD must fulfil the role granted to it in Cartagena. Although negotiations were going on in the General Assembly regarding some aspects of the follow-up and implementation of Agenda 21, chapter 38 of that document emphasized the major role to be played by UNDP, UNEP and UNCTAD in particular, in full recognition of the clear commitment adopted by the very same countries in Cartagena with regard to UNCTAD.

38. The representative of the United Kingdom, speaking on behalf of the European Community and its member States, acknowledged UNCTAD's important role in continuing work on sustainable development, as had been indicated in Agenda 21. Indeed, the issue of sustainable development should pervade all aspects of UNCTAD's work. UNCTAD's future role on sustainable development had been discussed at Cartagena, but the precise scope of future work arrangements had not then been clear, nor were they yet. It was for this reason that the Community considered that sustainable development should be dealt with in a sessional committee of the Board. Since the new Commission on Sustainable Development would devote all its energies to the subject of sustainable development, it was not yet clear how the roles of UNCTAD, UNEP and the UNDP in this area would come out. It would therefore be necessary to await the report of the ACC Task Force on UNCED follow-up and the outcome of the discussions in the General Assembly on the same issue before making definitive arrangements on the matter in UNCTAD. Until this was done, discussion in UNCTAD on sustainable development would need to remain general and any conclusions reached would have to be looked at in the light of the General Assembly's conclusions, so that UNCTAD could play its part in the orchestra.

39. The representative of Bolivia said that the question of the environment was a key issue for the 1990s; a sound, unpolluted environment was critical to the success of development efforts. As concerned specific orientations, he noted that paragraphs 126 and 154 of the Cartagena Commitment had clearly reflected the concerns of UNCTAD's member States on the subject of trade and environment, at both the intergovernmental and secretariat levels. Paragraph 155 had further set out a clear and detailed work programme for the secretariat in this area. Work on sustainable development and commodities would also be important, since commodities were after all natural resources and therefore a major factor in sustainability. Furthermore, the alleviation of poverty was a necessary condition for the achievement of sustainable development, and work on the interlinkages of these areas was therefore a matter of urgency. With regard to institutional arrangements for future work on sustainable development in UNCTAD, he was of the view that such work should start in a sessional committee of the Board, but that there would need to be a re-examination of these arrangements in the future.

40. The Secretary-General of UNCTAD, responding to the concern raised by the representative of Algeria regarding a database on trade-related environment measures, stated that UNCTAD's Trade Control Measures Information System (TCMIS) was being expanded to take such measures into account. This had already been reflected in the Medium-Term Plan and in a decision of the General Assembly to continue such collection and analysis. The section of the annex to document TD/B/EX(1)/2 which related to this issue (paragraph A (ii)) should be considered as part and parcel of the work programme whose broad outlines had been reflected in the main body of the report.

III. ESTABLISHMENT OF AN AD HOC WORKING GROUP TO EXPLORE THE ISSUE OF STRUCTURAL ADJUSTMENT FOR THE TRANSITION TO DISARMAMENT (BOARD DECISION 398 (XXXVIII) OF 7 MAY 1992, ANNEX, SECTION D)

(Agenda item 3)

41. Reporting on the informal consultations on this item, the Secretary-General of UNCTAD said that, while no firm conclusions had been reached, it was generally recognized that the Cartagena Commitment provided a clear mandate for examining in UNCTAD the question of using reductions in military expenditures for civilian purposes. At the same time, it was felt that further clarification was necessary and that therefore more consultations should be held to consider more precisely the work to be done and the question of establishing an ad hoc working group and setting its terms of reference.

Action by the Board

42. At its 806th meeting, on 21 September 1992, the Board took note of the oral report of the Secretary-General of UNCTAD and mandated him to continue his consultations on this item.

43. Acting upon the proposal made by the representative of Chile, the Board also agreed to include this item on the provisional agenda for the first part of its thirty-ninth session.

IV. OTHER MATTERS REQUIRING ACTION BY THE BOARD ARISING FROM OR RELATED TO REPORTS AND ACTIVITIES OF ITS SUBSIDIARY AND OTHER BODIES (ITEM 11 OF THE ABOVE-MENTIONED PROVISIONAL AGENDA)

(Agenda item 4)

44. The President recalled that this item (item 11 of the provisional agenda for the first part of the thirty-ninth session of the Board) had been referred to the pre-sessional executive session in accordance with paragraph 67 of the Cartagena Commitment whereby the Conference, in calling for the policy function of the Board to be strengthened, called upon the Board in executive session, inter alia, to react to reports from its subsidiary bodies, in order to give impetus to ongoing work.

(a) Report of the Intergovernmental Group of Experts on Restrictive Business Practices on its tenth session (21-25 October 1991)

45. In the absence of the Chairman, H.E. Mr. Thomas Ogada (Kenya), the report was introduced by a Vice-Chairman, Mr. M. Kisiri (United Republic of Tanzania).

46. The Board took note of the report of the Intergovernmental Group of Experts on Restrictive Business Practices on its tenth session (TD/B/1310-TD/B/RBP/85).

(b) Report of the Working Group on International Shipping Legislation on its thirteenth session (11-19 November 1991)

47. In the light of the fact that the Conference, at its eighth session, had decided that the terms of reference of the Committee on Shipping should be included in those of the new Standing Committee on Developing Services Sectors, the Board decided to transmit the report of the Working Group on International Shipping Legislation on its thirteenth session (TD/B/1311-TD/B/C.4/341-TD/B/C.4/ISL/59) to the Standing Committee on Services for consideration and appropriate action, when that Committee met to discuss shipping matters (2-6 November 1992).

(c) Report of the Special Committee on Preferences on its nineteenth session (19-22 May 1992)

48. In the absence of the Chairman, Mr. Ernst Hörig (Germany), the report was introduced by a Vice-Chairman, Mr. Mitoji Yabunaka (Japan).

49. The Board took note of the report of the Special Committee on Preferences on its nineteenth session (TD/B/39(1)/2-TD/B/C.5/145).

V. PROCEDURAL, INSTITUTIONAL, ORGANIZATIONAL AND ADMINISTRATIVE MATTERS

A. Opening of the session

50. In the absence of Mr. Thomas Ogada (Kenya), President of the Trade and Development Board at its current thirty-eighth session, the first (pre-sessional) executive session of the Board was opened on 21 September 1992 by Mr. Al Sherif Sharaf (Jordan), one of the Vice-Presidents of the Board, who was designated to serve as Acting President of the executive session. (For the opening remarks made by the Acting President, see para. 4 above).

B. Bureau of the Board

51. In the absence of Mr. Iñigo Salvador-Crespo (Ecuador), Rapporteur of the Board at its current thirty-eighth session, the Board designated Mrs. Lourdes Molinos (Venezuela) to serve as Rapporteur for the first (pre-sessional) executive session.

52. Taking account also of the designation of one of the Vice-Presidents to serve as Acting President (cf. para. 49 above), the Bureau of the Board at the first (pre-sessional) executive session was as follows:

Acting President:	Mr. Al Sherif Sharaf	(Jordan)
Vice-Presidents:	Mr. Morris B. Abram	(United States of America)
	Mr. Petr Bambas	(Czechoslovakia)
	Mr. Lloyd M.H. Barnett	(Jamaica)
	Mr. Luis de Oliveira Nunes	(Portugal)
	Ms. Taous Feroukhi	(Algeria)
	Mr. Jamtono Rahardjo	(Indonesia)
	Mr. Al Sherif Sharaf	(Jordan)
	Mr. John Swift	(Ireland)
	Mr. Anton Akopian	(Russian Federation)
	Mr. Arnold Willen	(Sweden)
Rapporteur:	Mrs. Lourdes Molinos	(Venezuela)

C. Adoption of the agenda

(Agenda item 1)

53. At its 806th meeting, on 21 September 1992, the Board adopted the provisional agenda (TD/B/EX(1)/1) which had been approved by the Consultations of the Secretary-General of UNCTAD on 17 July 1992. (The agenda as adopted is reproduced in the annex to this report).

D. Membership and attendance*

54. The following States members of UNCTAD, members of the Board, were represented at the session: Algeria; Argentina; Australia; Austria; Bahrain; Bangladesh; Belarus; Belgium; Bhutan; Bolivia; Brazil; Bulgaria; Canada; Chile; China; Colombia; Côte d'Ivoire; Cuba; Czechoslovakia; Democratic People's Republic of Korea; Denmark; Dominica; Ecuador; Egypt; El Salvador; Equatorial Guinea; Ethiopia; Finland; France; Germany; Ghana; Greece; Hungary; India; Indonesia; Iran (Islamic Republic of); Iraq; Ireland; Israel; Italy; Jamaica; Japan; Jordan; Lebanon; Libyan Arab Jamahiriya; Madagascar; Malaysia; Malta; Mauritius; Mexico; Mongolia; Morocco; Myanmar; Nepal; Netherlands; Nigeria; Norway; Oman; Pakistan; Panama; Peru; Philippines; Poland; Portugal; Qatar; Republic of Korea; Romania; Russian Federation; Saudi Arabia; Senegal; Singapore; Spain; Sri Lanka; Sudan; Sweden; Switzerland; Syrian Arab Republic; Thailand; Trinidad and Tobago; Tunisia; Turkey; United Kingdom of Great Britain and Northern Ireland; United Republic of Tanzania; United States of America; Uruguay; Venezuela; Yugoslavia; Zimbabwe.

55. The following other states members of UNCTAD, not members of the Board, were represented at the session: Brunei Darussalam.

56. The United Nations Development Programme was represented at the session. The International Trade Centre UNCTAD/GATT was also represented at the session.

57. The following specialized and related agencies were represented at the session: Food and Agriculture Organization of the United Nations; World Bank; International Monetary Fund; United Nations Industrial Development Organization. The General Agreement of Tariffs and Trade was also represented at the session.

58. The following intergovernmental organizations were represented at the session: European Economic Community; Inter-American Development Bank; League of Arab States; Organization of African Unity.

59. The following non-governmental organizations were represented at he session: General Category: International Alliance of Women; International Chamber of Commerce; Inter-Parliamentary Union; World Confederation of Labour; World Federation of United Nations Associations. Special Category: Council of European and Japanese National Shipowners Associations; International Association of Islamic Banks.

---

*/ For the list of participants, see TD/B/EX(1)/INF.1.

E. Statements of position on the Federal Republic of Yugoslavia

60. The representative of the United Kingdom, speaking on behalf of the European Community and its member States, stated that the Community and its member States had given long and careful thought to the position of the Federal Republic of Yugoslavia (Serbia and Montenegro) in the United Nations. They had made it clear on numerous occasions, most recently at the second plenary meeting of the forty-seventh session of the United Nations General Assembly, that they did not accept the automatic continuity of the Federal Republic of Yugoslavia in international organizations, including the United Nations. It was clear that the Federal Republic of Yugoslavia (Serbia and Montenegro) did not have any right to claim the seat of the former Socialist Federal Republic of Yugoslavia. Its position in this regard was no different from that of other components of the former Socialist Federal Republic of Yugoslavia. The European Community and its member States therefore supported the resolution adopted by the Security Council on 19 September 1992 which, inter alia, recommended to the General Assembly that it decide that the Federal Republic of Yugoslavia (Serbia and Montenegro) should apply for membership of the United Nations and that the Federal Republic should not participate in the work of the General Assembly. A draft resolution had been submitted to the General Assembly, inter alia by the 12 countries of the Community, and the Assembly was expected to act on this draft very shortly. In these circumstances, the presence of representatives of Serbia and Montenegro at United Nations meetings in general, and at this meeting in particular, was accordingly without prejudice to the position of the European Community and its member States and to further action they might take to oppose the participation of Yugoslavia in the work of United Nations bodies pending the submission, and acceptance by the appropriate organs of the United Nations, of their application for membership of the United Nations.

61. Statements in support of the European Community position were made by the representatives of Austria, Australia, Turkey, Japan, United States of America, Hungary, Sweden (also on behalf of Denmark, Finland and Norway), and Canada.

62. The representative of China placed on record the fact that his delegation had abstained in the Security Council vote, and he recalled the statement by his country in explanation after the vote.

F. Institutional, organizational, administrative and related matters

(Agenda item 5)*

Item 5 (a) - Treatment of new States members of UNCTAD for purposes of elections

63. At the 806th meeting, on 21 September 1992, the President, on behalf of the Board, congratulated the three new States which the General Assembly had admitted to membership in the United Nations on 22 May 1992 - the Republic of Slovenia (resolution 46/236); the Republic of Bosnia and Herzegovina (resolution 46/237); and the Republic of Croatia (resolution 46/238); and the further State admitted on 31 July 1992 - the Republic of Georgia (resolution 46/241).

---

*/ Under this item, the executive session dealt with items 12 (a), (b) and (c) of the provisional agenda of the first part of the thirty-ninth session of the Board.

64. Under the provisions of General Assembly resolution 1995 (XIX), these four new States had automatically also become members of UNCTAD, thus bringing UNCTAD's membership to 183.

Item 5 (b) - Membership of the Trade and Development Board

65. At the same meeting, the Board admitted the Republic of Armenia and Equatorial Guinea to membership of the Trade and Development Board, bringing the Board's membership to 134.

Item 5 (c) - Membership of the Working Party on the Medium-Term Plan and the Programme Budget for 1993

66. At the same meeting, the Board elected the following 19 States to serve as members of the Working Party in 1993: Argentina; Australia; Bulgaria; China; Egypt; Finland; Germany; India; Japan; Nepal; Nigeria; Peru; Philippines; Poland; Russian Federation: United Kingdom of Great Britain and Northern Ireland; United Republic of Tanzania; United States of America; and Venezuela.

G. Nomination of officers for the Bureau of the thirty-ninth session of the Board

(Agenda item 6)

67. At the same meeting, the Board took note of nominations for the posts of the 10 Vice-Presidents and the Rapporteur who would serve on the Bureau of the Board at its thirty-ninth session. The Board also took note of nominations for the posts of Chairman and Vice-Chairman-cum-Rapporteur of each of the Sessional Committees to be established by the Board at the first part of its thirty-ninth session.

H. Other business

(Agenda item 7)

Follow-up to the twenty-first session of the Working Party on the Medium-Term Plan and the Programme Budget

68. The spokesman for the Group of 77 (Pakistan) proposed the establishment of an appropriate mechanism to look into the question of the priority to be accorded to the various subprogrammes contained in the medium-term plan 1992-1997. The mechanism would report to the Board on an appropriate occasion.

69. The Secretary-General of UNCTAD reported on developments at the recent session in New York of the Committee for Programme and Co-ordination. The CPC had noted that the proposals of the United Nations Secretary-General on the allocation of high priority to subprogrammes had not been reviewed by the intergovernmental body concerned. The CPC had therefore recommended that the General Assembly be provided with the advice of the Trade and Development Board in giving further consideration to this item.

Action by the Board

70. Upon the proposal of the President, the Board decided that the current members of the Working Party, together with those just elected for 1993, should meet with all interested members of the Board to discuss this question in an open-ended forum chaired by the Secretary-General of UNCTAD. The results of the discussions would be reported to the Board at the first part of its thirty-ninth session, when the outcome of the twenty-first session of the Working Party would be taken up.

I. Report of the Board on its first (pre-sessional) executive session

(Agenda item 8)

71. The Board authorized the Rapporteur, in consultation with the President, to prepare the report on the first (pre-sessional) executive session, as appropriate.

Annex

AGENDA FOR THE FIRST (PRE-SESSIONAL) EXECUTIVE SESSION OF THE TRADE AND DEVELOPMENT BOARD

1. Adoption of the agenda

2. Policy issues arising in the context of selected items of the provisional agenda for the first part of the thirty-ninth session of the Board:

   (a) Follow-up to the recommendations adopted by the Conference at its eighth session (item 2 of the above-mentioned provisional agenda);

   (b) Sustainable development including UNCTAD's contribution to the implementation of UNCED's conclusions and recommendations (item 5 of the above-mentioned provisional agenda; see also footnote to paragraph 63 (5) of the Cartagena Commitment)

3. Establishment of an ad hoc working group to explore the issue of structural adjustment for the transition to disarmament (Board decision 398 (XXXVIII) of 7 May 1992, annex, section D)

4. Other matters requiring action by the Board arising from or related to reports and activities of its subsidiary and other bodies (item 11 of the above-mentioned provisional agenda):

   (a) Report of the Intergovernmental Group of Experts on Restrictive Business Practices on its tenth session (21-25 October 1991);

   (b) Report of the Working Group on International Shipping Legislation on its thirteenth session (11-19 November 1991);

   (c) Report of the Special Committee on Preferences on its nineteenth session (18-22 May 1992)

5. Institutional, organizational, administrative and related matters (items 12 (a), (b) and (c) of the above-mentioned provisional agenda):

   (a) Treatment of new States members of UNCTAD for purposes of elections;

   (b) Membership of the Trade and Development Board;

   (c) Membership of the Working Party on the Medium-Term Plan and the Programme Budget for 1993

6. Nomination of officers for the Bureau of the thirty-ninth session of the Board

7. Other business

8. Report of the Board on its first (pre-sessional) executive session.